

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, OCTOBER 17, 2001**

C-1 CALL TO ORDER / ROLL CALL

The City Council Closed Session meeting of October 17, 2001 was called to order by Mayor Nakanishi at 6:17 p.m.

Present: Council Members – Hitchcock (arrived at 6:20 p.m.), Howard, Land, Pennino and Mayor Nakanishi

Absent: Council Members – None

Also Present: City Manager Flynn, City Attorney Hays, and City Clerk Blackston

C-2 ANNOUNCEMENT OF CLOSED SESSION

- a) Negotiate modification(s) to land lease/leases for White Slough Water Pollution Control Facility Property; negotiating parties are Bechthold-Kirschenman Farms; Government Code §54956.8

C-3 ADJOURN TO CLOSED SESSION

At 6:17 p.m., Mayor Nakanishi adjourned the meeting to a Closed Session to discuss the above matter.

C-4 RETURN TO OPEN SESSION / DISCLOSURE OF ACTION

At 7:00 p.m., Mayor Nakanishi reconvened the City Council meeting, and City Attorney Hays disclosed that there was no reportable action taken with regard to item C-2(a).

A. CALL TO ORDER / ROLL CALL

The Regular City Council meeting of October 17, 2001 was called to order by Mayor Nakanishi at 7:00 p.m.

Present: Council Members – Hitchcock, Howard, Land, Pennino and Mayor Nakanishi

Absent: Council Members – None

Also Present: City Manager Flynn, City Attorney Hays, and City Clerk Blackston

B. INVOCATION

The invocation was given by Pastor Steve Jarret, New Hope Community Church.

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Nakanishi.

D. AWARDS / PROCLAMATIONS / PRESENTATIONS

D-1 Awards – None

D-2 (a) Mayor Nakanishi presented a proclamation to Doris McCaughna, volunteer with the Women's Center, proclaiming the month of October 2001 as "Domestic Violence Awareness Month" in the City of Lodi.

Ms. McCaughna reported that the Lodi Women's Center has been operating in the Lodi community for over ten years, providing assistance to women, children, and families in crisis. Programs include counseling for victims of domestic violence and sexual assault, legal advocacy, assistance with temporary restraining orders, ongoing support groups for victims of domestic violence, referrals for job preparation, housing, food, and clothing. In addition, they offer VINE (Violence Is Not Excusable) House, a safe shelter for domestic violence victims and their children. On behalf of the Women's Center, Ms. McCaughna thanked Judge Baysinger and Judge Warner for their ability to leave a lasting impression on domestic violence offenders, their compassion for victims, and their tenacity for justice

in these cases. She also thanked Chief Adams and the Lodi Police Department for their continuing efforts in the fight against domestic violence. Ms. McCaughna reported that Lois Borchardt, a founding member of the Women's Center, died in August. She was referred to as "Mother Theresa" by staff and was the organizing force that kept the volunteers working as a successful team. Ms. Borchardt was named 2001 Woman of the Year by Senator Machado for her work in the community.

D-3 (a) Sweta Patel, member of the Greater Lodi Area Youth Commission, acknowledged the Teen of the Month, Sarah Hoff from Lodi High School. Ms. Hoff introduced her parents, Dr. Jim and Mary Hoff.

E. CONSENT CALENDAR

In accordance with the report and recommendation of the City Manager, Council, on motion of Council Member Land, Pennino second, unanimously approved the following items hereinafter set forth **except those otherwise noted**:

- E-1 Claims were approved in the amount of \$8,500,363.29.
- E-2 The minutes of August 29, 2001 (Special Town Hall Meeting), September 19, 2001 (Special Meeting), and October 2, 2001 (Shirtsleeve Session) were approved as written.
- E-3 "Receive PCE/TCE Report of Expenditures in the amount of \$506,196.00" was **removed from the Consent Calendar and discussed and acted upon under the Regular Calendar**.
- E-4 Adopted Resolution No. 2001-237 approving the Annual Investment Policy and Internal Control Guidelines.
- E-5 Approved the specifications for ten 55-foot Class 1, twenty 45-foot Class 3, and ten 35-foot Class 3 wood utility poles and authorized advertisement for bids.
- E-6 Approved the specifications for twenty-five post-top (globe) luminaires and authorized advertisement for bids.
- E-7 Adopted Resolution No. 2001-238 awarding the contract for White Slough Water Pollution Control Facility Chlorine Residual Analyzer Replacements to Borges & Mahoney Company, of Vallejo, in the amount of \$15,700; and appropriated \$20,000 for the project.
- E-8 "Adopt resolution rejecting lowest bid for Armory Park Bleacher Improvements, 333 N. Washington Street, and award bid to next lowest responsible bidder, Benton Fence and Drilling, of Galt (\$83,570.00)" was **pulled from the agenda pursuant to staff's request**.
- E-9 "Contract Change Orders for Elm Street Improvements, Church Street to Sacramento Street; and appropriate additional funds" was **removed from the Consent Calendar and discussed and acted upon under the Regular Calendar**.
- E-10 Took the following actions with regard to the Arcadia Place development:
 - Approved the final map for Arcadia Place, Tract No. 3147, and directed the City Manager and City Clerk to execute the improvement agreement and map on behalf of the City; and
 - Appropriated funds for applicable fee credits.
- E-11 Took the following actions with regard to the Tienda Place, Unit No. 1, development:
 - Approved the final map for Tienda Place, Tract No. 3141, and directed the City Manager and City Clerk to execute the improvement agreement and map on behalf of the City;
 - Authorized the City Manager to execute an addendum to the improvement agreement, without further Council action, for reimbursement for excess width street pavement improvements in Kettleman Lane; and
 - Appropriated funds for applicable fee credits.

- E-12 Directed the City Manager and City Clerk to execute the improvement agreement for Century Meadows One, Unit No. 2, Tract No. 2786, Master Storm Drainage Facilities, on behalf of the City and appropriated funds for the reimbursement.
 - E-13 Adopted Resolution No. 2001-239 approving the application to apply for grant funds from the Roberti-Z'Berg-Harris Urban Open Space and Recreation Program under the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000 for improvements to Lodi Lake Park central (southwest) area and authorized the City Manager to sign the local match certificate form and waiver request form.
 - E-14 Adopted Resolution No. 2001-240 authorizing the City Manager to provide funding in the amount of \$50,000 to fund the Public Benefits Program Grant – Vineyard Shopping Center Demand-side Management Project.
 - E-15 Adopted Resolution No. 2001-241 authorizing the City Manager to provide funding in the amount of \$15,909.60 to fund the Public Benefits Program Grant – Wine Country Plaza Demand-side Management Project.
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F. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

- Georgianna Reichelt, President of the Land Utilization Alliance, stated that those she represents have grave concerns about Lodi's Redevelopment Plan. She stated that she was surprised at Mayor Pro Tempore Pennino's reaction to her comments at the last Council meeting, considering his involvement with the Council of Governments, which is supportive of regional government. She stated that when regional tax dollars are spent, anyone in the region has a right to address it, including Manteca. She expressed concern that the City did not spend funds on improving the water and sewer pipes on the east side, which allowed for the area to be considered blighted and placed in the Redevelopment Area. Ms. Reichelt stated that she has checked with other cities and found that they put their water and sewer funds in an enterprise account governed by GASB. Cities cannot charge in excess of what it costs to deliver the services and maintenance, otherwise it falls under Proposition 218. Ms. Reichelt suggested that the City review where it is spending its enterprise funds, as it was her understanding that some of the water funds have been going toward Police, Fire, and other services that have no correlation with water or sewer. She reported that the City of Modesto was successfully sued by 'Howard Jarvis and Paul Gann' and the Modesto Taxpayers Association over this issue.

Council Member Land confirmed that Lodi has Enterprise Funds for water, wastewater, and electric. There is an in-lieu transfer fee that goes into the fund. He asked the City Attorney for verification that the transfer of funds from the Enterprise Fund to the General Fund is lawful.

City Attorney Hays replied in the affirmative and stated that there has never been a lawsuit to date that has successfully challenged the in-lieu transfer.

Ms. Reichelt stated that she would obtain and provide a copy of the lawsuit to Council at the next meeting.

Mr. Hays indicated that Ms. Reichelt may be speaking about a Superior Court case, in which the decision would not set a precedence necessitating cities to react.

Mayor Nakanishi asked Mr. Hays to provide Council with an executive summary on the issue.

G. PUBLIC HEARINGS

- G-1 Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Nakanishi called for the continued Public Hearing to consider updating Development Impact Fees for water, wastewater collection, storm drainage, streets, police, fire, parks and recreation, and general City facilities, and amending Title 15, Chapter 15.64 of the Lodi Municipal Code.

Continued October 17, 2001

Mayor Pro Tempore Pennino reminded staff that this item was continued for the purpose of amending the documents to include a section on Public Art.

Public Works Director Prima read Section 11, Public Art Program, which was attached to the staff report for this item (filed).

Council Member Land noted that he was not present at the last Council meeting; however, he had reviewed the tape and agreed with Council's decision to add the Public Art element into the Development Impact Fee update report.

Hearing Opened to the Public

None.

Public Portion of Hearing Closed

MOTION:

Council Member Land made a motion, Pennino second, to:

- Adopt Resolution No. 2001-242 entitled, "A Resolution Of The Lodi City Council Amending Development Impact Mitigation Fees For All Developments Within The City Of Lodi"; and
- Introduce Ordinance No. 1706 entitled, "An Ordinance Of The City Council Of The City Of Lodi Amending Title 15 – Buildings And Construction, Chapter 15.64 – Development Impact Mitigation Fees By Repealing And Reenacting Section 15.64.040 – 'Payment Of Fees,' And Section 15.64.050 – 'Adoption Of Study, Capital Improvement Program And Fees' To The Lodi Municipal Code Relating To Development Impact Fees."

DISCUSSION:

Discussion ensued regarding the appropriateness of adding language in the resolution to reflect the addition of the Public Art Program. Council expressed concurrence to add the language.

MOTION – AMENDED:

Council Member Land amended his motion, Pennino second, to further include under Item 1 in Resolution No. 2001-242 the addition of Section 11, Public Art Program.

DISCUSSION:

Council Member Howard reported that she previously voted against allocation of funds from the Development Impact Fees for the Public Art Program. She confirmed that her position has not changed; however, she would vote in favor of the overall Development Impact Fee update as she is in agreement with all other elements of the recommendation, and also due to the extensive study and investigation by staff and interested parties that went into the matter. She encouraged staff and Council to continue to look at how the Public Art Program is impacting the community and ensure that it has a positive effect on funds.

VOTE:

The above motion carried by a unanimous vote.

H. COMMUNICATIONS

- H-1 Claims filed against the City of Lodi – None
- H-2 Reports: Boards/Commissions/Task Forces/Committees – None
- H-3 Appointments – None
- H-4 Miscellaneous
 - a) Received the cumulative Monthly Protocol Account Summary through September 30, 2001.

I. REGULAR CALENDAR

(NOTE: Items under the Regular Calendar were heard and discussed out of order.)

City Manager Flynn recommended that Item I-1 be moved to the end of the Regular Calendar.

- I-2 “Authorize the City Manager to execute a contract with ACRT, Inc. for the Urban Forest Management Plan and software; and appropriate funds for the contract”

Public Works Director Prima reported that under the proposed Urban Forest Management Plan, ACRT, Inc., which has its west coast office in Lodi, would evaluate City trees, measure their size, log an assessment of their health and safety issues, and locate them on the City mapping system so that staff would have the ability to access the data and review the maintenance history of the trees. Benefits of this Plan include allowing maintenance staff to do planning for budgetary purposes and tracking tree maintenance and history. The street tree portion of the program will cost \$44,000 and the park tree portion will cost \$10,000. These amounts include software, training, and contingencies for additional trees, as the exact number is unknown at this time.

Council Member Land recalled that this matter was listed on the Consent Calendar of a previous Council agenda. He appreciated that it was removed and brought back for a full presentation to Council at a Shirtsleeve Session. He expressed full agreement for including park trees in the Plan and asked that when the inventory is complete, a presentation be given to Council at a Shirtsleeve Session on the benefits of the Urban Forest Management Plan and software.

MOTION:

Council Member Land made a motion, Hitchcock second, to authorize the City Manager to execute a contract with ACRT, Inc. for the Urban Forest Management Plan and software; appropriate the necessary funds for the contract; and further direct staff to include park trees in the inventory and management plan

DISCUSSION:

Council Member Hitchcock hoped that the next time Council revisits this issue it would include a Heritage tree ordinance to protect the area’s mature oaks.

VOTE:

The above motion carried by a unanimous vote.

- I-3 “Reaffirm \$40,000 appropriation for the All Veterans’ Plaza Project”

City Manager Flynn summarized past Council actions related to funding the All Veterans’ Plaza Project. The Council originally appropriated \$25,000 for design work. In response to a subsequent request, an additional \$15,000 was appropriated for design work, bringing the total to \$40,000. The committee later reported to Council that the cost of the project would be \$450,000. The committee working on the project are comprised mainly of laypersons unfamiliar with standard business practices of the City. As a result, there has been confusion on the part of the committee members about what was actually

appropriated for the project. They believe a total of \$490,000 was appropriated by Council for the All Veterans' Plaza Project. It is staff's recommendation that the Council reaffirm \$490,000 for the project, which has been set aside for this purpose.

Cynthia Haynes, Assistant to the City Manager and President of the Lodi Area Veterans' Plaza Foundation, provided an update on the project. Construction of the All Veterans' Plaza has begun and completion is anticipated by February 2002. The Foundation's fund development plan accomplishments include:

- Fundraising brochure;
- Corporate sponsorship packet that has been mailed to more than 100 corporations across the nation;
- Web site;
- Plaza logo;
- Billboard signage;
- Speakers bureau; and
- Information booth for participation in community events.

Ms. Haynes reported that the Foundation is currently working with a local developer and two local banking institutions to build a house with community labor. All of the proceeds from the sale of the house would go toward the Veterans' Plaza. To date the Foundation has raised more than \$25,000 in cash and \$30,000 in in-kind contributions. The Foundation's goal is to make payments back to the City on a biannual basis, beginning December 2001. Ms. Haynes introduced Pastor Steve Jarret, the Foundation Treasurer.

Council Member Hitchcock asked Mr. Flynn what amount he believed the Foundation expected to pay back the City, to which he replied \$490,000.

Council Member Howard inquired whether the City "currently" put aside \$490,000, or "originally" put it aside.

Mr. Flynn replied that when the Council approved the original design work, \$25,000 was appropriated and charged to the project. When the Council amended that to add \$15,000, that was also appropriated and added to the project. When the Council agreed that the project could go forward for \$450,000, that amount was appropriated and placed in the project account. The account is now funded to \$490,000.

Addressing Pastor Jarret, Council Member Land pointed out that the City Manager believed the Foundation's repayment would be \$490,000; however, based on a letter from Pastor Jarret it is the Foundation's belief that the \$40,000 for design work was a contribution from the City and the loan amount was \$450,000.

Pastor Jarret reminded Council that the individuals tasked with working on this project are veterans who do not have the expertise of City staff. He reviewed past Council action related to funding the Veterans' Plaza and stated that \$40,000 was for the design only, while the project amount was \$450,000. The Foundation has agreed to pay back the \$450,000 project cost.

In response to Council Member Land, Mr. Flynn confirmed that the \$40,000 for the design work was spent out of last year's budget, and \$450,000 has been included in the Capital Account portion of the 2001-2003 budget.

Council Member Land spoke in favor of designating the \$40,000 as a City contribution for the design work, and specifying \$450,000 as a loan to the All Veterans' Plaza and Foundation, which would generate funds for repayment.

MOTION:

Council Member Land made a motion, Nakanishi second, to reaffirm that the \$40,000 appropriation was a contribution from the City for the design of the All Veterans' Plaza project, and the \$450,000 project cost appropriation was a loan to be repaid by the All Military Veteran's Plaza Foundation.

DISCUSSION:

Council Member Hitchcock recalled the Council initially approved \$25,000 as a City contribution, but all subsequent amounts, including the \$15,000, were considered to be a loan.

In response to Mayor Pro Tempore Pennino, Finance Director McAthie confirmed the funding for the project is in the Capital budget. She added that it was also documented in the goals, and stated that the \$450,000 was in the prior year.

Mayor Pro Tempore Pennino clearly recalled that the project was not to exceed \$450,000. The budget breakdown included design and all levels of the project for a total of \$450,000. He clarified that he would not be voting against the veterans, but rather, he would be voting on the principle of the budget.

Mayor Nakanishi expressed strong support for designating the \$40,000 as a contribution from the City, particularly at this time of difficulty in the country. The money should be dedicated to all veterans, present and future.

VOTE:

The above motion carried by the following vote:

Ayes: Council Members – Hitchcock, Land and Mayor Nakanishi

Noes: Council Members – Howard and Pennino

Absent: Council Members – None

E-9 “Contract Change Orders for Elm Street Improvements, Church Street to Sacramento Street; and appropriate additional funds”

Public Works Director Prima explained that due to staff's haste in completing the Elm Street project, a large error was made in the cost estimate. In addition to Elm Street, the project included replacement of curb, gutter, sidewalk, paving, and tree wells along Church Street from south of Elm Street, north up to the alley. The alley was rebuilt between Church and School Streets. Replacement of the sewer line was done from Church Street to Sacramento Street. Water lines and storm drains were replaced on Elm Street, as well as the concrete, surface work, decorative lighting, and trees. It was anticipated to have the theater project developer use its contractor to do the bulk of the street work; however, the City was to furnish a significant amount of equipment including street furniture, street lights, some of the signal poles, controller, and trees, as well as to conduct soils testing and do signage work. The materials and services totaled nearly \$301,000. This amount was not included in the original appropriation that staff requested in March. The contract amount that was signed with the developers to do the installation and reconstruction work was slightly over \$1.1 million. Only \$1.2 million was appropriated for the project. The project was estimated by the developer based only on concept plans, as the actual plans and specifications were developed as the project moved forward. Change Orders for work done by the developer's contractor have amounted to \$200,000. This equals approximately 17% of the original contract amount. Staff is confident that they have received a competitive price for the work.

Mayor Pro Tempore Pennino noted that \$493,000 was appropriated in the Capital budget, and inquired as to what projects will not be accomplished, or be delayed, due to this error.

Mr. Prima replied that all projects will be accomplished and did not anticipate delays as a result of this issue. He stated that \$100,000 in gas tax would be applied toward this project, which after being subtracted from the requested \$285,000, results in only a \$185,000 difference. In addition, staff anticipates a significant amount of funding by working with the Council of Governments and the State Transportation Improvement Program (STIP).

Council Member Hitchcock commented that such an error has not happened during the three years she has served on the Council, implying that it is pardonable, and stated that she would have voted in favor of the project even if the initial cost had been what is indicated today.

Council Member Land stated that when this project was originally brought before Council he felt that it should have gone through the standard bid process, and believed if it had been done this situation would not have occurred. He expressed disappointment that Council was not informed earlier about the Change Orders, and asked for an explanation of the anticipated \$40,000 in Change Orders that are yet to come.

Senior Civil Engineer Charlie Swimley explained that some Change Order requests were received after the staff report was completed for this item. They are related to surface improvements, such as streetlight footings.

City Manager Flynn noted that Mr. Prima has done an outstanding job for the City and has excellent staff, several of which are new and are learning to deal with different contractors and issues. He reminded Council that they had expressed the need for expediency on this project and several others.

In reply to Council Member Howard, Mr. Prima again stated that he did not believe that any other projects would be stopped or delayed due to this issue.

Council Member Hitchcock and Mayor Pro Tempore Pennino complimented Public Works staff for their excellent work and specifically for the outstanding results on Elm Street.

MOTION / VOTE:

The City Council, on motion of Council Member Hitchcock, Land second, unanimously received for information Contract Change Orders 1 through 9, and authorized appropriation of \$493,000.00 additional Capital funds to cover the remaining, anticipated construction costs associated with the Elm Street Improvements, Church Street to Sacramento Street, project.

I-1 "Review of PCE/TCE Financing"

City Attorney Hays read the staff report he submitted for this item (filed).

PUBLIC COMMENTS:

- In response to questions by Eileen St. Yves relative to PCE/TCE related expenditures, the following information was reported.

City Manager Flynn stated that proceeds from the Certificate of Participation were \$5.281 million, and the water fund contributed \$6.3 million. Referencing documents under Item E-3, Mr. Flynn summarized the expenditures made from July through August 2001. He confirmed that a \$1 million judgement has been received by the City.

Finance Director McAthie reported that the \$1 million judgement was applied toward the original water fund expenditure.

Ms. St. Yves reported that the San Joaquin County Rental Property Association sued the City of Stockton for \$13.5 million and they paid only \$270,000 in legal fees. She asked whether taxpayer money goes into the water fund. She stated that local businesses are paying legal fees to defend themselves against the City, and inquired why the City is suing them to rectify something that they had nothing to do with in the first place.

Mr. Hays warned that the questioning is beyond the scope of the matter described under this agenda item.

Ms. St. Yves asked what the City is hoping to get in return for its expenditures.

Mr. Hays replied that he expects full recovery for the dollars spent as well as the cost of cleanup in the community.

Council Member Hitchcock asked if there have been recent draws from Lehman Brothers.

City Manager Flynn distributed a handwritten document to Council (filed).

Ms. McAthie explained that the document distributed by Mr. Flynn was prepared in response to Ms. Hitchcock's request regarding how much money would have to be paid in interest on the amount of money that has already been drawn down. Ms. McAthie stated it would be the London Interbank Offered Rate (LIBOR) plus 20%. The LIBOR rate fluctuates; however, the cap is 30%. By calculating each quarter at the 30% maximum amount, the interest owed on the \$9.2 million that has been drawn down amounts to \$2.2 million.

In reply to Council Member Hitchcock, Accounting Manager Ruby Paiste reported that as of August, \$5.8 million has been spent out of the \$9.2 million.

Discussion ensued regarding the practice of drawing down large sums of money on a quarterly basis, while paying 23% interest on the sum for the period of time pending its disbursement.

Mayor Pro Tempore Pennino encouraged the City Manager to play a more active role in leveraging funds, and cautiously suggested the possibility of using the City's reserves. He noted, however, that the City's General Fund reserve is now \$23 million, the lowest it has been in many years.

Addressing the public, Mayor Nakanishi noted that the PCE/TCE issue began in 1997. Details about the litigation cannot be discussed, as it could cause harm to the City's case and potentially be quite costly. Council has been provided information that is favorable. He asked for support toward completing the process, because to stop now would clearly not be in the best interest of the City.

Council Member Howard disclosed that she met with the owner of Guild Cleaners and his attorney Stephen Meyer this afternoon, and followed all Brown Act laws while doing so.

Council Member Hitchcock also disclosed that she met with Mr. Alquist and Mr. Meyer. She commented that other individuals have expressed concerns to her similar to what Ms. St. Yves addressed today. She asked whether more money will need to be borrowed.

Mr. Hay reported that the borrowing cap was \$16 million. The amount that was available for the City to use in its enforcement activity was \$15 million. He projected that it would not be necessary to borrow beyond that.

In response to questions by Council Member Hitchcock related to the loan agreement, Mr. Hays reported that if no money were available to move forward, the loan agreement simply remains inactive. The City would not be under obligation to repay it or move forward. He stated that the agreement is at its end when the final draw is made. Mr. Hays believed that as long as the City had money available from the agreement, it would be obligated to continue to proceed until the money was exhausted. Once the money was exhausted, the City would be under no more obligation to move forward, and it would not force the payment of the loan to come due. The lender has first call on any recoveries. Mr. Hays read paragraph four, entitled Permitted Deductions, from page 11 of the Program Receipts Sale and Repurchase Agreement (filed). He stated that this relates to the negotiated amount that goes toward the water fund. The payments then go into the program receipts account, which is transferred to the trustee. Mr. Hays replied in the affirmative to Ms. Hitchcock's inquiry regarding whether it would pay the borrowed amount plus interest, and the City would then be able to get whatever is in addition to that for cleanup.

MOTION/ VOTE:

No Council action was required in this matter.

J. ORDINANCES

None.

K. COMMENTS BY CITY COUNCIL MEMBERS ON NON-AGENDA ITEMS

- Mayor Nakanishi announced that a Town Hall meeting on the subject of water issues is scheduled for next week. Public Works Director Prima reviewed the names of the guest speakers.
- Council Member Hitchcock thanked the Council and staff for their willingness to bring forward the PCE/TCE financing issue. She asked that the Council receive (via the Consent Calendar) a quarterly report from the Finance Department summarizing the status including what is owed and what the accrued interest is.
- Council Member Land explained that he was unable to attend the last Council meeting, as he was out of town at a business meeting for Farmers and Merchants Bank and the California Bankers Association. At this meeting nine presentations were given regarding community development programs and services. These presentations included: 1) Lodi House, 2) the RENEW project, of which 13 pieces of property on the east side have been identified to rehabilitate or build new homes for affordable housing, and 3) a grant program for first time home buyers.

Council Member Land also commented on the following issues:

1. He thanked the Council for participating last Sunday at the Lodi House fundraiser.
2. Recognized the City Clerk for staffing the City Council booth at the Celebration on Central Event.
3. Announced that Hutchins Street Square is hosting a Halloween haunted house on October 31.
4. He attended the NCPA conference, at which updates were given regarding power market issues. They also warned of lobbyist efforts to take away local control.
5. He plans to attend the League of California Cities Mayor and Council Members Institute being held January 9 to 11 and encouraged all other Council Members to attend as well.

- Council Member Howard pointed out that Council failed to vote on Item E-3.

E-3 "Receive PCE/TCE Report of Expenditures in the amount of \$506,196.00"

MOTION / VOTE:

The City Council, on motion of Council Member Hitchcock, Pennino second, unanimously received the PCE/TCE Report of Expenditures in the amount of \$506,196.00 from July through August 2001.

L. COMMENTS BY THE CITY MANAGER ON NON-AGENDA ITEMS

- City Manager Flynn announced that Roger Houston, Chief Building Inspector, will be retiring on November 29.

Mayor Pro Tempore Pennino noted that Information Systems Manager Stan Helmle will be leaving employment with the City, and he asked City Manager Flynn to prepare a letter on behalf of the Council thanking him for his hard work and dedication.

Continued October 17, 2001

M. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 8:55 p.m.

ATTEST:

Susan J. Blackston
City Clerk